

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION FINANCE COMMITTEE

MINUTES OF MEETING

June 14, 2010



The Finance Committee met on June 14, 2010, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 4:27 p.m. and the following members were present:

Henry Jones, Chair Louis F. Moret, Vice Chair Terry McGuire for John Chiang JJ Jelincic Grant Boyken for Bill Lockyer Tony Oliveira Kurato Shimada

Excused Member(s):

Other Board Member(s):

AGENDA ITEM 2 – APPROVAL OF APRIL 20, 2010, MEETING MINUTES

The minutes were approved as presented.

AGENDA ITEM 3A - INTERIM CHIEF AUDITOR'S REPORT

Margaret Junker, Interim Chief Auditor, presented a matrix reflecting the status of various activities occurring within the Office of Audit Services to the Committee as an information item.

AGENDA ITEM 3B – OFFICE OF AUDIT SERVICES QUARTERLY STATUS REPORT

Ms. Junker presented the quarterly status report to the Committee as an information item.

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AGENDA ITEM 3C - ANNUAL INTERNAL AUDITS RISK ASSESSMENTS

Ms. Junker presented the risk assessments to the Committee as an information item.

AGENDA ITEM 3D - ANNUAL AUDIT PLAN

Ms. Junker presented the audit plan to the Committee as an action item.

On **MOTION** by JJ Jelincic, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Annual Audit Plan.

AGENDA ITEM 3E - INDEPENDENT FINANCIAL STATEMENT AUDITOR - REQUEST FOR PROPOSAL

Ms. Junker presented the request for proposal to the Committee as an action item.

On **MOTION** by Terry McGuire, **SECONDED** and **CARRIED**, the Committee recommended the Board approve staff's recommendations with the following amendment:

Amend minimum fee schedule from 20 percent to 30 percent

AGENDA ITEM 4A – COMPLIANCE OFFICE REPORT

Sherry Johnstone, Chief Compliance Officer, presented the report to the Committee as an information item.

AGENDA ITEM 4B – ETHICS HELPLINE REPORT

Ms. Johnstone presented the report to the Committee as an information item.

AGENDA ITEM 5A – PRIVACY AND SECURITY OFFICE QUARTERLY REPORT

Sheri Hofer, Privacy and Security Officer, presented the quarterly report to the Committee as an information item.

AGENDA ITEM 6A - Caipers 2010-11 BUSINESS PLAN

Anne Stausboll, Chief Executive Officer, and staff presented the CalPERS 2010-11 Business Plan to the Committee as an action item.

On **MOTION** by Kurato Shimada, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the CalPERS 2010-11 Business Plan as presented. Committee Member JJ Jelincic voted no.

AGENDA ITEM 7A – BUDGET AND EXPENDITURE REPORT FOR THE THIRD QUARTER OF FISCAL YEAR 2009-10

Russell Fong, Chief, Fiscal Services Division, presented the quarterly report to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the quarterly report as presented.

AGENDA ITEM 7B – QUARTERLY DELINQUENCY REPORT

Dave Cornejo, Assistant Chief, Fiscal Services Division, presented the report to the Committee as an information item.

AGENDA ITEM 7C - CURRENT BUDGET ISSUES

No items were presented to the Committee.

AGENDA ITEM 7D - CURRENT FINANCIAL REPORTING ISSUES

Mr. Cornejo and Alan Milligan, Chief Actuary, presented the following current financial reporting issues to the Committee as an information item:

 GASB Preliminary Views Document on Pension Accounting and Financial Reporting

AGENDA ITEM 7E – OUTSIDE COUNSEL EXPENDITURES

Steve Pietrowski, Assistant Chief, Fiscal Services Division, presented information to the Committee regarding outside counsel expenditures.

AGENDA ITEM 7F – BUDGET ACT OF 2008 POSITIONS IN THE HEALTH BENEFITS BRANCH

Mr. Pietrowski presented this information to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee recommended the Board approve staff's recommendation as presented.

AGENDA ITEM 8A- ASSISTANT EXECUTIVE OFFICER'S REPORT ON INFORMATION TECHNOLOGY ACTIVITIES

Karen Ruiz on behalf of Terri Bennett, Assistant Executive Officer, presented a matrix reflecting the status of various activities occurring within the Information Technology Services Branch to the Committee as an information item.

AGENDA ITEM 9A - ASSISTANT EXECUTIVE OFFICER REPORT

Larry Jensen, Assistant Executive Officer, Administrative Services Branch, presented a matrix reflecting the status of various activities occurring within the Administrative Services Branch to the Committee as an information item.

AGENDA ITEM 7b - PROPOSED SEPTEMBER 2010 AGENDA

The proposed agenda was approved as presented.

AGENDA ITEM 8a – PUBLIC COMMENT

There was no public comment.

The meeting of the Finance Committee was adjourned at 6:35 p.m.

The next Finance Committee meeting is scheduled for September 14, 2010, in Sacramento, California.

Date:	
	STEPHEN W. KESSLER
	Deputy Executive Officer, Operations